

## Message Text

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PAGE 01 STATE 093053  
ORIGIN EB-08

INFO OCT-01 ARA-10 IO-13 ISO-00 AGRE-00 CEA-01 CIAE-00  
COME-00 DODE-00 FRB-03 H-01 INR-10 INT-05 L-03  
LAB-04 NSAE-00 NSC-05 PA-01 CTME-00 AID-05 SS-15  
STR-07 ITC-01 TRSE-00 ICA-11 SP-02 SOE-02 OMB-01  
DOE-15 /124 R

DRAFTED BY EB/OT/GCP - D FINNERTY/COMMERCE-NMORGAN  
APPROVED BY EB/OT - S AHMAD  
EB/OT/GCP - J SLATTERY  
ARA/MEX - E BITTNER  
STR - J ROSENBAUM  
AGRICULTURE - R FITZSIMMONS  
COMMERCE - R ADES

-----089384 112330Z /63

P R 112227Z APR 78  
FM SECSTATE WASHDC  
TO AMEMBASSY MEXICO PRIORITY  
INFO USMISSION GENEVA

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E.O. 11652: N/A

TAGS: ETRD, MTN, MX

SUBJECT: MEXICAN TAXATION OF IMPORTED ALCOHOLIC  
BEVERAGES

1. EMBASSY IS REQUESTED TO APPROACH APPROPRIATE GOM  
OFFICIALS AND ORALLY INDICATE USG DISPLEASURE DRAWING  
ON PARAS. 2-5 BELOW.

2. USG IS CONCERNED AT RECENT ACTIONS TAKEN BY THE GOM  
WHICH WILL HAVE THE EFFECT OF RESTRICTING US ACCESS TO  
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THE MEXICAN MARKET FOR ALCOHOLIC BEVERAGES.

3. THE RECENT REVISION OF MEXICO'S LAW OF TAXATION OF THE  
INDUSTRIES OF SUGAR, ALCOHOL, SPIRITS AND PACKING OF  
ALCOHOLIC BEVERAGES TAXES IMPORTED BEVERAGES AT A MUCH  
HIGHER RATE THAN DOMESTIC ONES. THE USG CONSIDERS THIS  
TO BE A TRADE RESTRICTIVE MEASURE WHICH, IF IT REMAINS

IN FORCE, THREATENS TO FORECLOSE A SLOWLY GROWING, BUT  
POTENTIALLY SUBSTANTIAL MARKET FOR US ALCOHOLIC  
BEVERAGES.

4. IN ADDITION TO THE INCREASED TAX ON IMPORTED  
BEVERAGES, THE USG UNDERSTANDS THAT MEXICAN TAX AUTHORITIES  
ARE LIMITING THE NUMBER OF TAX STAMPS WHICH MAY BE  
PURCHASED TO NO MORE THAN 15 PERCENT OF THOSE PURCHASED

DURING THE SAME MONTH OF THE PREVIOUS YEAR. THIS  
PRACTICE EFFECTIVELY PRECLUDES EXPANSION OF THE  
MARKET OR INTRODUCTION OF NEW PRODUCTS.

5. BOTH MEXICO AND THE US SHARE THE MTN OBJECTIVE OF  
MUTUAL TRADE LIBERALIZATION. USG IS NOW CONSIDERING A  
NUMBER OF MEXICAN REQUESTS FOR TARIFF REDUCTION ON  
PRODUCTS (INCLUDING ALCOHOLIC BEVERAGES) COVERED BY  
GROUP AGRICULTURE PROCEDURES. REVISION OF TAXES ON  
IMPORTED ALCOHOLIC BEVERAGES IS AN OBSTACLE TO A  
FAVORABLE RESPONSE. WE THEREFORE INTEND TO RAISE  
THIS ISSUE AT THE PROPOSED MEETING OF THE US MEXICAN  
SUBGROUP ON TRADE.

6. IN THE PAST, SUBGROUP DISCUSSION OF TRADE PROBLEMS  
HAS BEEN HINDERED BY LACK OF COORDINATION BETWEEN  
GOM AGENCIES. TO ASSIST PREPARATION FOR SUBGROUP TALKS,  
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REQUEST EMBASSY CONTACT APPROPRIATE TAX POLICY  
OFFICIALS AND ASCERTAIN MOTIVATION FOR TAX REVISIONS  
AND EVALUATE POSSIBILITY OF REMOVAL OF TAX, ESPECIALLY  
ITS DISCRIMINATORY ASPECTS. VANCE

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** CUSTOMS DUTIES, ALCOHOLIC BEVERAGES, IMPORT CONTROLS, GOVERNMENT REACTIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 11 apr 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978STATE093053  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** D FINNERTY/COMMERCE-NMORGAN  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780156-0470  
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**Legacy Key:** link1978/newtext/t19780468/aaaacgfn.tel  
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**Litigation Code IDs:**  
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**Litigation History:**  
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**Message ID:** d49561b2-c288-dd11-92da-001cc4696bcc  
**Office:** ORIGIN EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
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**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** N/A  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
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**Status:** NATIVE  
**Subject:** MEXICAN TAXATION OF IMPORTED ALCOHOLIC BEVERAGES  
**TAGS:** ETRD, MX, US, MTN  
**To:** MEXICO  
**Type:** TE  
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**Review Markings:**  
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